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1 UNITED STATES DISTRICT COURT
2 SOUTHERN DISTRICT OF NEW YORK
-----x

3 Casey Hall-Landers,
4 Plaintiff,

5 v.

20 Civ. 3250 (GBD) (SLC)

6 NEW YORK UNIVERSITY,
7 Defendant.
8 -----x

Oral Argument

9 New York, N.Y.
10 November 21, 2024
10:00 a.m.

11 Before:

12 HON. SARAH L. CAVE,

13 U.S. Magistrate Judge

14 APPEARANCES

15 BURSOR & FISHER P.A.
Attorneys for Plaintiff
16 BY: ANDREW OBERGFELL

17 DLA PIPER LLP (US)
Attorneys for Defendant
18 BY: KEARA M. GORDON
COLLEEN GULLIVER
19 CONNOR D. ROWINSKI

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1 THE COURT: Good morning, everyone. Please be seated.

2 (Case called)

3 MR. OBERGFELL: Good morning, your Honor. Andrew
4 Obergfell from Bursor & Fisher on behalf of the plaintiff,
5 Casey Hall-Landers.

6 THE COURT: Good morning.

7 MS. GORDON: Good morning, your Honor. Keara Gordon
8 with DLA Piper on behalf of NYU.

9 THE COURT: Good morning.

10 MS. GULLIVER: Good morning, your Honor. Colleen
11 Gulliver from DLA Piper, also on behalf of NYU.

12 THE COURT: Good morning.

13 MR. ROWINSKI: Good morning, your Honor. Connor
14 Rowinski of DLA Piper on behalf of the defendant.

15 THE COURT: Good morning.

16 MS. GORDON: Your Honor, may I also just mention that
17 Britt Schoepp-Wong is here from NYU. Britt is the Assistant
18 Policy Advisor to the President and Associate General Counsel.

19 THE COURT: Okay. Very good. Thank you.

20 So we're here this morning on the plaintiff's motion
21 for class certification, which Judge Daniels has referred to me
22 for a report and recommendation. So Mr. Obergfell, it's your
23 motion. You can proceed.

24 MR. OBERGFELL: May I use the podium, your Honor?

25 THE COURT: Yes, wherever you are comfortable.

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1 MR. OBERGFELL: Good morning, your Honor. Andrew
2 Obergfell for the plaintiff, Casey Hall-Landers. Before I
3 begin, if I may, I'd like to reserve five minutes for rebuttal?

4 THE COURT: Of course.

5 MR. OBERGFELL: Your Honor, this case is appropriate
6 for class certification because there was a common implied
7 contract between plaintiff and class members and NYU for the
8 provision of in-person and on-campus education in exchange for
9 tuition payments by the students.

10 THE COURT: And if I could clarify, this is only a
11 tuition class; we're no longer including fees?

12 MR. OBERGFELL: This is only a tuition class, your
13 Honor.

14 THE COURT: Thank you.

15 MR. OBERGFELL: And NYU breached that implied contract
16 as to all of its students when it closed its campus as of March
17 23, 2020, and then made a university-wide decision to fail to
18 refund any tuition to any students across NYU. In deciding
19 this motion, we're guided by the Second Circuit's decision in
20 this case, and the Second Circuit has already held that there
21 are three forms of evidence that can form the basis of an
22 implied contract for in-person education.

23 The first is NYU's Albert portal, or online course
24 registration portal, which students used to register for their
25 spring 2020 classes in advance of the spring 2020 semester.

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1 THE COURT: If I could just pause you there? The
2 Second Circuit, as you said, which is what guides us, says that
3 in terms of focusing on the existence of an implied contract,
4 the court said: The role is to ascertain the intention of the
5 parties at the time they entered into the contract. When is
6 Ms. Hall-Landers alleging that they entered into a contract
7 with NYU?

8 MR. OBERGFELL: Well, New York law states that at the
9 time of enrollment, the relationship between the student and
10 the university becomes contractual.

11 THE COURT: Okay.

12 MR. OBERGFELL: However, the terms of the implied
13 contract are informed by the bulletin, circulars, and other
14 written materials or oral statements from the university to the
15 students. So the relationship between plaintiff and NYU became
16 contractual at the time of enrollment. However, each of the
17 bulletins that were referenced by Second Circuit would assist
18 in forming the terms of the implied contract.

19 THE COURT: Of course. But the reason I asked that
20 question then was because you mentioned the Albert portal,
21 which is not something that a prospective student at the time
22 that they enrolled in NYU would have access to. And so, I
23 understand that that was something that was alleged in the
24 pleadings. The Second Circuit might not have had the facts at
25 the time in front of them not knowing that that is not

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1 something that the prospective student, including the plaintiff
2 here, would have had access to at the time the contract was
3 formed.

4 MR. OBERGFELL: That's actually factually incorrect,
5 your Honor --

6 THE COURT: Okay.

7 MR. OBERGFELL: -- because there is a public version
8 of the Albert portal. You cannot actually register for
9 classes, but all of the information that is available on the
10 Albert portal is available publicly on NYU's course search page
11 on their public website. And that was testified by Mr. Clay
12 Shirky, NYU's 30(b)(6) witness.

13 THE COURT: Okay.

14 MR. OBERGFELL: So that did exist at the time of
15 enrollment, but I don't think there was any basis in New York
16 law to suggest that when students specifically enrolled for
17 their classes for the spring 2020 semester that those terms
18 would not be part of the implied contract. I see no basis in
19 New York law to reach that conclusion.

20 THE COURT: Well, that could change the nature of the
21 contract. You would then be suggesting that the terms of the
22 contract would change over time.

23 MR. OBERGFELL: Well, there's an ongoing relationship
24 between NYU and the students. Just like NYU could change its
25 policies vis-a-vis the students, which would presumably become

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1 part of the implied contract over a student's tenure, obviously
2 representations that are made by NYU to the student could add
3 to the terms of the implied contract.

4 So just focusing on the Albert portal for a moment,
5 right, and we would argue, your Honor, that the Second Circuit
6 has determined that this is something that we can look at for
7 purposes of defining the terms of the implied contract. But
8 Mr. Shirky, who was, as I mentioned, NYU's 30(b)(6) witness, he
9 gave us a couple of important pieces of information regarding
10 this Albert portal.

11 [REDACTED]

12 [REDACTED]

13 [REDACTED]

14 [REDACTED]

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

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[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

THE COURT: The class definition uses the phrase "New York campuses." What are the New York campuses that that refers to?

MR. OBERGFELL: That would be the Washington Square campus and the Brooklyn campus. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

THE COURT: Thank you.

MR. OBERGFELL: Going back to Mr. Shirky's testimony just to kind of put a period on this—and this is document

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122-1, exhibit 1 to the Westcot declaration—

However, there's more. The Second Circuit also instructed that we can look at the marketing materials that were made available to the student.

The first is what I'll call university-wide marketing materials, and those are materials that are not addressed to any specific school, program, or area of study. They talk about NYU broadly and what a student can expect when they enroll at NYU. The second tier are school-specific or program-specific marketing materials. For example, if I'm a

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1 student who is planning to enroll in the College of Arts and
2 Sciences as an undergraduate, I will get both these
3 university-wide marketing materials and specific information
4 regarding the College of Arts and Sciences.

5 So for purposes of this discussion, I'd like to just
6 point the Court to two of these university-wide marketing
7 materials, which we contend forms the basis of an implied
8 contract. The first one is exhibit 6 to the Westcot
9 declaration. This is document 122-6. This is a welcome
10 pamphlet from NYU which is entitled: You've Made It. On the
11 very first page of that booklet, and this is on—I'm using
12 Bates numbers now—NYU_Hall-Landers_1066. It says in large
13 capital letters: NYU and New York City are waiting for you.
14 And then, in the small print on the same page, it says: Here's
15 a glimpse of what your life will be like at NYU. So this
16 marketing material sent to all admitted students is clearly
17 sign posting to the student that they will receive what is
18 contained in this booklet.

19 Flipping through the booklet, for example, looking to
20 page 1067, there's a large heading that states: It's your city
21 now, with an image of students convening together in a park,
22 which obviously refers to New York City because if you were to
23 flip to the next pages, 1068 and thereafter, the booklet
24 discusses specific resources in New York City, and more than
25 that, specific resources both in Greenwich Village and in

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1 Downtown Brooklyn, which is where NYU's two main undergraduate
2 campuses are located.

3 And there's more in this booklet that conveys to
4 students what they can expect. For example, on page 1075, it
5 states: Find your favorite places to eat, join a club, play
6 intramurals, and volunteer. Just look around and you'll see
7 NYU communities that suit your interests. This is clearly
8 referring students to an in-person experience at NYU, talking
9 about the various resources both on NYU's campus and in New
10 York City.

11 THE COURT: Some of the cases refer to puffery and
12 kind of generalized language about the overall experience at a
13 university. This is what NYU is saying about New York City
14 here, you would probably see in Harvard's materials about
15 Boston, and, you know, UCLA's materials about being near
16 Hollywood. So how is this not just general puffery about what
17 the university atmosphere is like?

18 MR. OBERGFELL: The first thing I would say is the
19 issue of puffery is itself a class issue; whether or not these
20 materials can be considered puffery, or a term of an implied
21 contract, is itself a class issue with no differentiation among
22 students, but it's not puffery, your Honor. As we indicated in
23 our papers, puffery is a subjective statement that suggests
24 that, you know, something is the best or, you know, the
25 greatest or something that could not -- it's a subjective claim

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1 that could not be objectively proven.

2 Here what NYU is conveying to the student is here a
3 glimpse of what your life will be. And then, it lays out not
4 only resources in New York City but information as to specific
5 clubs, intramural sports, cultural things such as sports and
6 recreation activities, basically painting this picture of what
7 their college life will be at NYU. And then, NYU took all of
8 that away when it closed its campus in March of 2020.

9 [REDACTED]

10 [REDACTED]

11 [REDACTED]

12 [REDACTED]

13 [REDACTED]

14 [REDACTED]

15 [REDACTED]

16 [REDACTED]

17 [REDACTED] So for NYU to put that out there
18 and then pull it away, we think is by no means puffery.

19 Just going back to exhibit 6, you know, I think
20 page 1081 also draws the point that I'm talking about here. It
21 says: Now that we've shown you what college life is like at
22 NYU. Join us and see for yourself. This is clearly conveying
23 to an admitted student that is what's conveyed in these
24 marketing materials is what their life would be like if they
25 chose to enroll at NYU.

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1 THE COURT: Can we focus for a minute on the paid
2 tuition component of the class definition?

3 MR. OBERGFELL: Sure.

4 THE COURT: And can you talk a little bit more about
5 what that means to say "paid tuition"? As we know, the
6 plaintiff here, the plaintiff's father and I think grandmother
7 paid some or all of the tuition for them. What about a student
8 whose tuition is paid, you know, from a 529 program or from an
9 external grant or scholarship? What does paid tuition mean,
10 and how is that common to the class and not an individualized
11 question?

12 MR. OBERGFELL: It's not an individualized question,
13 your Honor, because the class is people who paid, meaning
14 people who paid in the form of tuition payments to themselves
15 and to NYU and who are in privity of contract with NYU. So the
16 means how the student obtained the funds to pay the tuition is
17 not particularly relevant. So here, for example, plaintiff
18 testified that the money was a gift from their father.

19 THE COURT: Right.

20 MR. OBERGFELL: Well, a gift has a very specific legal
21 definition. It means a voluntary transfer without
22 consideration, and we've cited authority for that in our
23 papers. So legally speaking, the money was transferred from
24 the father to Hall-Landers, and then Hall-Landers paid that
25 money to NYU in consideration for tuition. It's the same if

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1 you get a loan and it's paid; you have a repayment obligation.
2 Obviously, we would not encompass people who got financial aid
3 or a free ride. That would not be included, but I don't think
4 it's a relevant consideration as to how the student came up
5 with the money in order to pay the tuition so long as they
6 paid.

7 THE COURT: How is it not relevant to the remedy
8 though? Because if Hall-Landers were able to recover from NYU
9 and got \$41,000 back, Hall-Landers was not out of pocket
10 \$41,000. The father was out-of-pocket \$41,000. So isn't it a
11 windfall to Hall-Landers to give an award of the tuition that
12 was paid by the father?

13 MR. OBERGFELL: Two things to say on that, your Honor.
14 Based on the legal definition of a gift, that is not how it
15 would work. Because If someone gave me a gift, that money is
16 now mine. If I choose to take it to the store and purchase a
17 product and I'm harmed by that product, I have every right to
18 recover what I paid for it based on the legal definition of a
19 gift, number one.

20 Number two is that this whole argument by NYU, I
21 think, is a little bit disingenuous because at the motion to
22 dismiss stage, if the Court will recall, NYU at length argued
23 that parents did not have standing in order to seek recovery
24 for any tuition money that they paid. They specifically
25 represented to this Court in their MTD brief that any contract

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1 is between the student and the university.

2 So now they want to argue that the parent doesn't have
3 standing and the student doesn't have an injury, so NYU gets to
4 keep the money. To me, that's the only possible windfall
5 outcome is if NYU gets to company the money based on what we
6 would think is an unfair form of immunity for NYU, especially
7 because plaintiff and NYU are in privity of contract, and
8 plaintiff has every right to enforce the terms of contract
9 against NYU. Just as, your Honor, NYU had every right to
10 enforce the contract against plaintiff. So if plaintiff did
11 not pay their tuition for some reason, it wasn't plaintiff's
12 father or somebody else who was going to be on the hook. NYU
13 would have a cause of action against plaintiff. So it can't be
14 that NYU can enforce the contract but plaintiff can't. So I
15 think that's an unfair argument.

16 THE COURT: Okay. Thank you.

17 MR. OBERGFELL: Just turning back, if I may, to the
18 university-wide marketing materials? I would like to just
19 point the Court to another example that I think is really
20 important, and that is exhibit 8 to the Westcot declaration.
21 It's document 122-8. It's called: NYU is. And we'll see some
22 very similar representations in this booklet that were made in
23 the You've Made It booklet. But I'd like to point the Court to
24 the first page, the very first page of the booklet, Bates
25 number 1474. It says: NYU and New York City are waiting for

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1 you in bold capital letters with an image of students in front
2 of NYU's buildings in New York City.

3 The next page, Bates number 1475, says, You applied to
4 NYU because of the wealth of opportunities that are available
5 to you in New York City, and there's a picture behind that text
6 of students in Washington Square Park where NYU is located.
7 And this booklet, much like the You've Made It booklet, conveys
8 very similar information about NYU's location in New York City,
9 the benefits of being in New York City, specifically the
10 benefits of being in Greenwich Village and Downtown Brooklyn
11 where its campuses are located, and provides very specific and
12 detailed products and services that will be available as a
13 full-time student at NYU, including access to clubs, including
14 access to physical campus facilities. In fact, they even
15 defined it as university-wide resources.

16 Again, an admitted student reading this book has every
17 reason to believe that these representations are true and that
18 if they show up and choose to purchase an education at NYU,
19 that they'll receive what is being conveyed by NYU.

20 THE COURT: Can I ask you just to go back to tuition
21 for a moment?

22 MR. OBERGFELL: Yes.

23 THE COURT: Did all NYU undergraduate students pay the
24 same tuition for spring 2020?

25 MR. OBERGFELL: For most of the schools and colleges,

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1 they are very similar. There are, I think, a handful of
2 schools that have slightly different tuition. However, your
3 Honor, I don't think that's really relevant to the class motion
4 because it runs to damages. And it's the black letter law of
5 the Second Circuit, as we noted in our papers, that
6 individualized damages considerations do not defeat class
7 certification. That's the Roach case as well as the *Sejas v.*
8 *Argentina* case that's cited in our brief.

9 To circle back very quickly to the final thing that
10 the Second Circuit told us to look at, and that's NYU's prior
11 course of dealing with its students. And we've learned in
12 discovery that in the 188 years that New York University was a
13 going concern between 1831 and March of 2020, it always offered
14 in-person and on-campus education to its students. [REDACTED]

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED] So the Second Circuit said that we can
21 look to prior course of dealing to inform the basis of the
22 implied contract, and here, we have clear evidence, class-wide
23 that evidence, NYU has always held courses in person and on
24 campus up until the time for the first time that they dispersed
25 their entire campus for approximately half of the semester in

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1 the spring of 2020. We would consider that an implied term and
2 then a breach of that implied term.

3 Your Honor, I have presented now three forms of
4 evidence that the Second Circuit specifically said can form the
5 basis of the implied contract, and I think I've tried to prove
6 to you that each of those forms of evidence are common to every
7 single class member and there's no individualized inquiry that
8 would need to be undertaken to determine that. And in its
9 brief, by the way, NYU does not deny that all students are
10 exposed to the representations on Albert. It does not deny
11 that it sends these university-wide marketing materials to all
12 students, and it does not deny that its prior course of conduct
13 was such that it was always an in-person and on-campus
14 instruction for students.

15 Instead, I expect that you will hear that, well,
16 there's a lot of students and a lot of different types of
17 mailers at issue. But this Court does not need to even get
18 there. If you find that the Albert portal is common, which I
19 believe I've shown that it is; if you find the university-wide
20 marketing materials are common, which I believe I've shown that
21 it is; and if you find that there was a prior course of dealing
22 such that students could reasonably expect and on-campus and
23 in-person educations, which I believe I have shown, this Court
24 need look no further for the terms of the implied contract for
25 in-person and on-campus education. So we can disregard most of

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1 NYU's argument regarding commonality and predominance.

2 THE COURT: What about injury though? Obviously, it
3 doesn't seem to be disputed that all of NYU went remote in
4 March of 2020. But the level of injury to each student, how is
5 that not an individualized inquiry? I know you've already
6 spoken about damages, but understanding the difference between
7 an econ student and a visual arts student going in-person is
8 quantifiably different; is that not?

9 MR. OBERGFELL: No, your Honor. That's not what we're
10 speaking to prove. And as our expert declarations, I think,
11 set forth, what we're trying to prove is that for that
12 particular aspect of the education, the in-person and on-campus
13 aspect of the education, that there was an objective market
14 value to that feature of the education that was applicable to
15 all students. So our experts will seek to prove that when NYU
16 closed and moved to its remote form of instruction, that that
17 form of instruction was objectively less valuable, less of a
18 fair market value, than the education that was bargained for
19 the spring 2020 semester.

20 THE COURT: Okay. But all of the universities across
21 the country, I think maybe 99 percent, went remote. So the
22 market value in March and April of 2020, it arguably plummeted
23 for everybody, right?

24 MR. OBERGFELL: Potentially.

25 THE COURT: So if what we have to look at as the

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1 market, there was no market for in-person undergraduate
2 instruction in March and April of 2020.

3 MR. OBERGFELL: I don't think that's the correct way
4 to look at it, your Honor, and the reason is because that we
5 have to look at what the terms of the contract were at the time
6 when they were entered into. So the students were taking a
7 form of education, which was in-person and on-campus up; until
8 the time of the closure, right. And so, the relevant inquiry
9 is that education has a certain value, right, what was
10 bargained for has a certain value. When there's been a switch
11 to a fully remote form of instruction, our argument is—our
12 theory is—that now that this new education that's being
13 provided has an objectively less value than the one that was
14 provided for the first couple weeks of the semester, and
15 students should be able to recoup the difference in that market
16 value and that can be done on a class-wide value as our experts
17 have shown. I would like to speak very briefly on the breach
18 element, your Honor, or the breach of implied contract. And I
19 touched on this before, but there's no individualized inquiry
20 necessary for breach. And the reason for that is because there
21 was one agreement at issue here: Tuition in exchange for
22 in-person and on-campus education. And there is no dispute
23 that NYU, as you've said, closed its campus in March of 2020.

24 [REDACTED]

25 [REDACTED]

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1 [REDACTED] There was no individualized inquiry even
2 done by NYU to determine whether a tuition refund should be
3 appropriate for students.

4 Instead, the position that NYU took was, well, we gave
5 you the credits at the end of the semester, and therefore, you
6 know, we're not going to lower our tuition. So that decision
7 was either correct or incorrect, but that's a class issue.
8 That's not an individualized issue.

9 Before I move on to unjust enrichment, your Honor, I
10 would like to address some of the other cases cited in our
11 brief. We cited numerous examples where tuition refund cases
12 have been certified both for breach of contract and for unjust
13 enrichment. We've cited the *Ninivaggi v. The University of*
14 *Delaware*. We've cited *In re Pepperdine*, and we've cited *In re*
15 *University of Southern California*; all of which certified
16 classes, tuition classes, based on very similar types of common
17 evidence that is available here, namely, course catalogs,
18 course of dealing, and each of those judges -- and those
19 universities are every bit as complex and diversified as NYU.
20 But each of those judges, three different judges, found that a
21 tuition class could properly be certified and that a plaintiff
22 was able to represent these common issues and seek to vindicate
23 the rights of the class.

24 THE COURT: What about the cases where the judges have
25 not certified the classes? *Suffolk University* in Boston, I

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1 think is one, where the court declined to certify a tuition
2 class.

3 MR. OBERGFELL: There are cases in which tuition
4 classes have not been certified for various reasons. However,
5 we think that the *Ninivaggi* case, the *Pepperdine* case, and the
6 *University of Southern California* case are most applicable here
7 because it is the same forms of common evidence that we are
8 seeking to use to certify our tuition class. Not only that,
9 your Honor, but in *USC* as well, the Court accepted the very
10 same damages model that I'm proposing here and certified the
11 class based on that damages model. That is a choice-based
12 conjoint to determine the objective overpayment of the tuition
13 for the time when the university moved to remote format. And
14 that's a very published opinion from the Central District of
15 California.

16 THE COURT: Right. I have read it.

17 MR. OBERGFELL: Okay. Which we think should be very
18 persuasive here.

19 So I would like to briefly touch on the unjust
20 enrichment claim, if I may? So the unjust enrichment claim
21 goes hand in hand with the breach of implied contract claim in
22 the sense that they're based on the same facts, obviously, and
23 the same wrongdoing. Basically, this notion that students were
24 going to get an in-person and on-campus experience and then
25 were deprived of that by NYU for approximately half of the

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1 spring semester in 2020. The reason that certification of the
2 unjust enrichment claim is appropriate is because it's the same
3 objective inquiry. Students were all deprived of the objective
4 value of the loss of the in-person education that they had
5 bargained for, and because that decision was made at the
6 university level and because there was no individualized
7 inquiry into the equities of the situation, then certification
8 and predominance can be met. And New York courts have
9 routinely certified unjust enrichment cases in the circumstance
10 where the equities can be judged on a class-wide basis, which
11 we think they can here.

12 THE COURT: NYU cites a number of cases from this
13 district from their brief where the courts have declined to
14 certify classes of unjust enrichment claims. How are those not
15 binding on me? I'm looking at page 27 of NYU's brief, the
16 *Weiner* case, *Tropical Sails*, *Crab House*, and *Student A*.

17 MR. OBERGFELL: Well, those cases did not hold that
18 it's categorically prohibited to certify --

19 THE COURT: I didn't say they did. I said the courts
20 in each of those cases declined to certify a class based on
21 unjust enrichment claims.

22 MR. OBERGFELL: Correct, they did, and obviously,
23 every case depends on its own facts. But I think that the
24 law -- for example, we're looking at *Jermyn v. Best Buy Stores*.
25 That is 256 F.R.D. 418, 436, which is a published SDNY decision

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1 where the court did find that predominance was met for an
2 unjust enrichment claim, and that was based on an undisclosed
3 policy by Best Buy that was common to all class members which
4 deprived the class members of value. So it really depends on
5 the individual facts of the case.

6 I would also note that the other cases that I've
7 discussed, the *Ninivaggi v. University of Delaware* case, the *In*
8 *re USC* case, and *Pepperdine* all certified restitution classes
9 or unjust enrichment classes. Here is the bottom line as to
10 why it's so important, your Honor. If, for whatever reason,
11 NYU is successful on a particular contract offense, say
12 impossibility for example, that doesn't mean that the plaintiff
13 and the class members' claims go away. It means that the claim
14 is converted for a claim for restitution because NYU is still
15 holding the tuition money that it should have refunded. And
16 that's a matter of New York law, and it was also explained *In*
17 *re USC* case as well.

18 THE COURT: I'm mindful of time. If you have one more
19 point you want to make, and then save time for rebuttal as
20 well?

21 MR. OBERGFELL: Yes, your Honor. I would like to
22 briefly touch on adequacy, if I may, on the last point?

23 THE COURT: Sure.

24 MR. OBERGFELL: And I know if I haven't gotten to
25 everything and to the extent I haven't gotten to it, we

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1 definitely rely on our papers on that issue.

2 THE COURT: Of course.

3 MR. OBERGFELL: But here, I have to say that plaintiff
4 has done everything that is required of a class representative.
5 Plaintiff has reviewed the operative complaints. Plaintiff has
6 produced over 2,000 pages of documents ESI. Plaintiff has been
7 in constant contact with us on a regular basis. And plaintiff
8 sat for their deposition for over eight hours, vigorous
9 questions from Ms. Gordon, and plaintiff is prepared to carry
10 this case through to trial.

11 Plaintiff has a strong command of the case, and we
12 cited in our reply brief numerous aspects of plaintiff's
13 deposition testimony, which shows that plaintiff has a good
14 command of what this case is about and what they and the class
15 are seeking. So I would just note that none of the arguments
16 that were made by NYU get even close to establishing a conflict
17 of interest between the plaintiff and the class, which is the
18 standard for adequacy in the Second Circuit.

19 So with that, your Honor, thank you very much.

20 THE COURT: Just one final question for you. This is
21 just a math question. In the plaintiff's declaration, they say
22 that they paid in total "\$41,609.09" for spring 2020. The math
23 that is in that paragraph doesn't add up for me, and
24 Mr. Dorph's declaration has a different number from NYU's
25 records. I don't think it's a material difference, but just

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1 for purposes of my understanding, is there a dispute about what
2 Hall-Landers paid in tuition for spring 2020? Or can I just
3 pick one of those numbers to use for purposes of writing the
4 report and recommendation?

5 MR. OBERGFELL: No. The tuition is not disputed.
6 It's \$27,900 and something, I believe. The rest was a
7 combination of fees and other charges that were ultimately
8 aggregated to that other value.

9 THE COURT: Okay. All right. Thank you,
10 Mr. Obergfell.

11 Ms. Gordon?

12 MS. GORDON: Thank you, your Honor. I'm just going to
13 stay here if that's okay?

14 THE COURT: Wherever is fine as long the court
15 reporter can hear you.

16 MS. GORDON: Can you hear me, Madam Court Reporter?
17 Fantastic.

18 Good morning, your Honor. Keara Gordon for DLA Piper
19 for defendant, NYU. Class certification should be denied here
20 for many of the same reasons that Judge McMahon denied class
21 certification in *Garcia De Leon v. NYU*; a case that the
22 plaintiff's counsel did not mention to you this morning, but a
23 case where there, like here, the plaintiff failed to establish
24 commonality, typicality, adequacy, or predominance.

25 We do have a PowerPoint—thank you, your Honor, for

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1 letting us bring it—which I'll pass up in a minute. But
2 before I do, I would just like to touch on the three main
3 reasons that we believe class certification should be denied.
4 They are:

5 Number one, there are individualized issues of breach
6 and injury, and those overwhelm and prevent commonality,
7 typicality and predominance.

8 Number two, there are individualized issues of
9 contract formation that also overwhelm and prevent commonality,
10 typicality, and predominance.

11 And number three, the plaintiff has not shown that
12 they are an adequate class representative.

13 So first, here as in *Garcia*, the plaintiff cannot
14 demonstrate both breach and injury with common proof. As the
15 Court knows, in *Garcia*, just like here, there was a plaintiff
16 who was a student at NYU, and after COVID forced the transition
17 to online instruction, the student sued for refunds, asking for
18 tuition and fees back. And there, as here, the Court analyzed
19 those claims, and after class discovery, determined that the
20 issue of whether injury was common to everybody was a very
21 fact-specific injury.

22 In that case, for example, one of the things that
23 Ms. Garcia complained about was she said she wasn't able to
24 access student health services following the pandemic. And the
25 Court reviewed that, and the Court determined that Ms. Garcia

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1 had not shown any proof that everybody at NYU, all NYU
2 students, had had the same alleged inability to access health
3 services and to try and figure that out was going to require
4 tens of thousands of individual very fact-specific
5 determinations. That very well-reasoned opinion is equally
6 applicable here.

7 Now, the plaintiffs didn't mention *Garcia*, and in
8 their reply brief, they relegate it to a footnote. They say,
9 your Honor, don't look at it. It's irrelevant. It doesn't
10 have anything to do with this case. Because they made the
11 strategic decision at the 11th hour to just abandon their
12 fees claim. But what you just heard and what's in the brief,
13 they are still at issue. They are absolutely still at issue.

14 When you look at what they're claiming are the
15 promises that they're asking your Honor to enforce, they were
16 things like services and programs like you heard this morning:
17 I didn't get access to clubs. I didn't get access to
18 intramurals. Those are the same things that are at issue as
19 *Garcia*. They can't have their cake, your Honor, and eat it,
20 too.

21 Similar to Ms. Garcia's complaint, when you look at
22 what the plaintiff is complaining about, [REDACTED]

23 [REDACTED]

24 [REDACTED] [REDACTED] [REDACTED]

25 [REDACTED]

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1 [REDACTED]
2 [REDACTED] Well, in order to determine whether there was a
3 breach in injury, your Honor would have to look at the facts
4 surrounding the promise and the facts surrounding whether they,
5 the plaintiff, was actually denied access to that service.
6 We'll get to those facts in a minute, but that is super clear
7 that that is not common evidence. That is a fact-specific
8 determination, and the evidence to help you make that
9 determination varies by member to member, which is the
10 definition of an individualized question.

11 Second, individualized issues of contract formation
12 overwhelm commonality, typicality, and predominance. There's
13 no formal contract here. This isn't the case where everybody
14 got the exact same materials and everybody signed up for the
15 same thing at the same time. Remember, too, you've got a
16 putative class of four years of students who saw different
17 marketing materials at different times and that changed over
18 time.

19 When we looked to define what the implied contract is
20 we go to what the plaintiff said, and the plaintiff is not
21 pointing to just one thing. And not even just the three things
22 that counsel mentioned this morning, but when you look at the
23 plaintiff's testimony, it's a mosaic. They are saying you've
24 to look at the enrollment materials. You've got to look at
25 website statements. You've got to look at Tisch's bulletin.

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1 And Tisch is only one of ten undergraduate schools. You've to
2 look at Tisch's policies and procedures document.

3 And most vividly demonstrating that there is no
4 class-wide proof, [REDACTED] [REDACTED]

5 [REDACTED]

6 [REDACTED]

7 [REDACTED] It
8 is only physical therapy that's specific to the dance program.
9 It is not university wide. So there is no common proof of this
10 contract that they are formulating.

11 THE COURT: Well, but what I understand the plaintiffs
12 to be arguing is that the focus is on the in-person piece. You
13 could put physical therapy. You could put music studio. You
14 could put classroom. You could put seminar, whatever it is
15 that follows in person. The promise is whatever service NYU is
16 going to provide, it's going to do it in an in-person format in
17 New York City. And that's what I understand them to be saying
18 is the common question about that. Was that promise made
19 across the board to all of the NYU students regardless of which
20 program they were in? So how is that not a common question
21 focusing on that in-person piece?

22 MS. GORDON: So obviously, it became illegal and
23 unsafe for NYU to deliver in-person instruction.

24 THE COURT: Sure. But that goes to your defense.
25 That's not the promise.

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1 MS. GORDON: True. But focusing on injury, if you
2 were going to be given, for example, career counseling
3 services, and you could get them just as effectively remotely
4 as in person, then you haven't been injured. If you could get
5 instruction for classes as effectively in person as remotely,
6 as it seems like this plaintiff did because we're going to look
7 at all the gushing praise that they had for their professors,
8 you haven't been injured. If you wanted mental health
9 counseling and you could get that remotely just as effectively,
10 you have not been injured. And all of this is so subjective.

11 There is no -- I haven't seen any common proof from
12 the plaintiff that that particular inability to deliver all of
13 these myriads of things in an in-person versus a remote
14 instruction, where is the evidence that that affected all
15 26,000 NYU students in the same way? There is none.

16 So, if I may, I'm going to quickly touch on adequacy,
17 and then I'll hand out the handouts?

18 THE COURT: Yes.

19 MS. GORDON: So Ms. Hall-Landers is an inadequate
20 class representative for three reasons. First of all, they are
21 not knowledgeable about the fundamental aspects of their claim.
22 Number two, they lack credibility on key issues. Number three,
23 the contemporaneous evidence contradicts their claim that they
24 didn't get the education they deserved.

25 And just by way of example, one of the things that the

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1 plaintiff says that they want as damages is the money they
2 spent to buy a ballet bar, and they said that they had to buy
3 this in spring of 2020 because of the transition to remote
4 instruction. But when we asked for the proof as to how much is
5 this, what are the specifics around it, it turns out they
6 didn't buy that until June. So it was after spring. And the
7 fact there that is troubling is that they didn't know the basis
8 of their claims when they made their complaint and then
9 subsequently when they continued to seek that.

10 So with that, if I may pass up --

11 THE COURT: Sure.

12 MS. GORDON: I'm giving two to the plaintiff's counsel
13 as well.

14 MR. OBERGFELL: Thank you.

15 MS. GORDON: If I may, your Honor, ask you to go to
16 the second page?

17 THE COURT: Yes.

18 MS. GORDON: So I just touched on the first three
19 issues here, and then briefly this morning, I'll also touch on
20 damages and unjust enrichment.

21 But going to the first reason, if you turn the page,
22 as Judge McMahon found in *Garcia*, individualized issues of
23 breach and injury overwhelm commonality, typicality, and
24 predominance. If you go to the fourth page, as I was talking
25 about before, the definition of individualized injury, as your

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1 Honor knows, and this is from the Supreme Court's opinion in
2 *Tyson Foods*, is individualized injuries are where the evidence
3 that you will have to consider is going to vary from member to
4 member and is not common to the class.

5 If you look at page 5 of the document, we've put in
6 there some of Judge McMahon's specific findings in *Garcia*
7 because we believe they are equally pertinent here. There,
8 Judge McMahon found that the plaintiff had not demonstrated and
9 could not demonstrate that she suffered the same injury as
10 every other NYU student. And remember there, it was also, I
11 couldn't get access to things that I wanted because of the
12 shift to remote.

13 THE COURT: I asked Mr. Obergfell a follow-up question
14 about tuition across different NYU programs. Can I ask the
15 same question of you? Is it set differently for different
16 programs?

17 MS. GORDON: It is, your Honor. The tuition amounts
18 are different at the different schools. There are ten
19 different schools within NYU. The tuition varies depending on
20 the curriculum. And there are also different offerings at the
21 different schools, so there will be different school-based
22 programs, different facilities, different things that are
23 offered because, for example, you know, a visual arts student
24 is different from an econ student. So what Tisch needs as arts
25 and that is going to be very different from Stern, which is the

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1 business school, or the nursing school or other schools.

2 So the offerings are different. Like Tandon, for
3 example, is the engineering school. That is priced
4 differently. It's on a different campus in Brooklyn. So
5 there's many, many differences among them. So when you are
6 looking at this -- you know, the next quote was essentially
7 different people paid different amounts for different things.
8 That still holds true here in a tuition case.

9 The judge also found there that in order to determine
10 injury, which we were just talking about a minute ago, if you
11 weren't provided this particular service that you say you
12 wanted, were you actually harmed? In order to determine that,
13 what Judge McMahon said is that you are going to have to do a
14 search and inquiry into what each of the, you know, over 26,000
15 students did or did not do with regard to availing themselves
16 of those.

17 On the next page, this just shows you some of the
18 services, facilities, and programs that are at issue here as
19 were in *Garcia*. So if you turn to the next page. We're now at
20 7, the left-hand quote is a quote from the plaintiff's opening
21 brief. And that is to show you that when describing the
22 promises that they are seeking to enforce, when you look at
23 what they said, it is things like studios, laboratories,
24 athletic facilities, student centers, clubs, and organizations;
25 all of the same things that were at issue in *Garcia* and all of

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1 the same things that were held there to require fact-specific
2 determinations to determine breach and injury.

3 And if you look at slide 8, that's the *Student A v.*
4 *Liberty United* Case that your Honor mentioned earlier. What
5 all of this amounts to, your Honor, is hopelessly
6 individualized issues because you really can't—as the Court
7 there found, too—you can't determine injury unless you've
8 looked the at whether and to what extent the student could use
9 the service, wanted to, and did use the service.

10 So if you go to page 9, when you think about the fact
11 that your Honor is going to have to make fact determinations
12 about 26,000 students and what they were promised and what they
13 could access and what they couldn't access, that is very
14 individualized. [REDACTED]

15 [REDACTED]
16 [REDACTED]
17 [REDACTED] First of all, that was not common
18 to the university. That was a program specifically for dance
19 students, so no common evidence there.

20 Number two, there's no evidence of breach. We put in
21 declarations from Sean Curran -- Professor Curran, and from the
22 [REDACTED] Professor Zujko. Both of them attest in their
23 declarations [REDACTED],
24 albeit remotely, to the dance students who wanted it in the
25 same way. [REDACTED]

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1 [REDACTED] [REDACTED]
2 [REDACTED] [REDACTED] [REDACTED]
3 [REDACTED] There's no basis for them to say under oath that
4 what they would have gotten wasn't as good as what they
5 expected because they never tried.

6 When you look at some of these other examples here and
7 in our brief, it's the same thing. They complain about not
8 being able to be involved in student government. They never
9 ran for student government. They never participated in student
10 government. Same thing we heard today. There were all these
11 clubs offered to me, and I was really hurt because I didn't get
12 to participate in any of those clubs. The plaintiff never
13 signed up for any clubs. If you never signed up for a club,
14 you never went before, during, or after COVID, how have you
15 been harmed? You haven't.

16 So that you'll see on page 10, we'll just see that
17 very, very quickly. This analysis is replicated over thousands
18 of students. There's what? Over 400 clubs, and many of these
19 services, programs, and facilities continued after COVID. That
20 is undisputed.

21 As Judge Parker of the Second Circuit observed in
22 *Rynasko*—and that is page 11—class allegations are implausible
23 because commonality and predominance would have to be found
24 among the extremely heterogeneous class, and he's right. If
25 you look at page 12, this is even more glaring here with regard

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1 to this plaintiff because their grievances are particularly
2 atypical and unique. We asked them. We asked them, Tell us in
3 what way you were deprived of what you thought you were getting
4 when the pivot of instruction went from in-person to remote?
5 And this is what they said. They said: I had to buy a ballet
6 bar. Of course, that's not correct, but certainly everybody at
7 NYU did not buy a ballet bar. I had to dance in different time
8 zones. Again, no common proof that that was applicable to
9 everybody, and then certain things that are quite unique. For
10 example, "I had to choose whether to show my feet, my torso, or
11 my arms on camera." They were upset because professors
12 couldn't provide physical cues and feedback by actually
13 touching our bodies. Dancing space was "limited," and they
14 were upset that they didn't have a live audience. Now, these
15 types of unique alleged injuries are certainly not applicable
16 to everybody at NYU. Most econ majors, most education majors,
17 most other majors are not going to have these kinds of
18 concerns. These are unique to the named plaintiff.

19 And if you turn to page 13, just as in *Garcia*, these
20 facts are "peculiar to our named plaintiff." There's no
21 evidence that any of them have anything to do with any other
22 NYU student. On page 14, we just have the quote that your
23 Honor is familiar with that predominance is an even higher
24 burden than commonality. Since they can't meet commonality and
25 typicality, they cannot meet predominance. On page 15, we just

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1 provide the quote from *Garcia* where *Garcia* found that, again,
2 there was no predominance because of these specific
3 individualized injuries that were necessary.

4 With that, I'll move to page 17 and our second point,
5 which is contract formation is an individualized issue. And if
6 you look here on page 17, in *Garcia* Judge McMahon quoted the
7 Second Circuit in *In re Foodservice*, and that court -- those
8 courts acknowledged that while where the claims require
9 examination of individual contract language, it is appropriate
10 to decline to certify a breach of contract action. Also in the
11 *Nguyen* case, in the absence of form agreements, class members
12 will have to prove their case with individualized proof, and
13 that is the case here.

14 On page 18, just a couple of specifics. As we've
15 talked about, ten undergraduate stools with very, very
16 different offers to their students, over 230 areas of study,
17 over 26,000 undergraduate students, more than 5,000 faculty
18 members teaching nearly 5,000 classes. There is no proof that
19 the quality of those 5,000 classes all were the same before
20 COVID or were less than what people intended after COVID.

21 So, you know, then if we move to page 19, going back
22 to what are the terms of contract that's alleged here, the
23 plaintiff defines their complaint. So at their deposition, we
24 asked them: What is it that are the elements of your
25 complaint? What promises were made to you, and what promises

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1 do you think were broken? And on page 19, we have what they
2 said. As I said, it's a mosaic. They said that the contract
3 consisted of course descriptions varied by courses. The
4 enrollment information of Albert --

5 THE COURT: Well, I think what Mr. Obergfell was
6 saying was the in-person, the field, whether it was the course
7 search or Albert, the field area, said that the class would be
8 in person. That's what they were relying on.

9 MS. GORDON: Yes, we'll get to that in one second, but
10 I would just like to clarify that that's not it. They are
11 relying on a number of different things, and strategically
12 plaintiff's counsel is just pointing out a couple today that he
13 thinks help him more. But when you look at what the contract
14 is according to the plaintiff and how they have defined it, it
15 is not just Albert. But we will get to Albert in just one
16 second.

17 Okay. So on page 20, that's just all of the
18 different -- it shows you just how different the marketing
19 material is, and it changes over time. So let's get to Albert
20 since we were just talking about it. That's on page 21.

21 THE COURT: Right.

22 MS. GORDON: So the plaintiff, in their brief and
23 today, is heavily relying on Albert and the in-person statement
24 there, but there's a couple of problems with that. Number one
25 is, as your Honor acknowledged, the plaintiff admitted that

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1 they did not see that before when the plaintiff says the
2 contract was formed. The contract was formed according to the
3 plaintiff when the university accepts the student for
4 enrollment and they enroll. At that point in time, there's no
5 evidence they saw Albert. There is no evidence everybody saw
6 Albert. We heard evidence this morning that, well, yeah, maybe
7 it's online, and people could go look at it. But where is the
8 evidence that all 26,000 undergraduates students actually took
9 the initiative to go look at Albert before they enrolled at
10 NYU? There's no evidence -- I haven't heard any evidence cited
11 to you of commonality of that.

12 Also, the plaintiff admitted that they themselves
13 didn't see it. So in any event, there couldn't be proof of
14 that. If you go to the next slide, we heard in the brief and
15 we heard this morning, oh, your Honor, don't worry about this.
16 The Second Circuit in *Rynasko* already said that Albert is part
17 of the contract. Well, that's just not so. When you look at
18 what *Rynasko* said, and it's here in the slide, they said the
19 question is not whether the allegations necessarily establish
20 an implied contract. But the question before them -- remember
21 this was at the pleading stage. They had to accept everything
22 as true, and they didn't have the benefit of the named
23 plaintiff's testimony saying I never saw this before I
24 contracted. Without the benefit of anything, they said the
25 question is going to be -- the question is whether a reasonable

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1 fact finder could conclude that the plausible allegations
2 demonstrate an implied contract. Here, we know on the basis of
3 the plaintiff's testimony that they can't because the plaintiff
4 never saw it.

5 We also heard—and if you look at the next
6 page—plaintiff is now talking about course of conduct. Again,
7 at their deposition, the plaintiff did not mention course of
8 conduct. That was something that was raised later. When you
9 hear today from the plaintiff's counsel, the evidence of course
10 of conduct is all based on what NYU produced in discovery.
11 There is no evidence that at the time of contracting this is
12 what the plaintiff is focusing on and this is what the
13 plaintiff is thinking.

14 Also, the Second Circuit has not held that course of
15 conduct necessarily means there was an implied contract for
16 in-person. Once again, the Second Circuit was looking at the
17 pleading stage at a variety of different things, course of
18 conduct being one of them, and saying maybe at some point later
19 in the proceeding, the fact finder may or may not find this.
20 So that has not been determined. Instead, individualized
21 review is going to be necessary of what the different schools,
22 what the different students saw, and, as I said, that changes
23 over time.

24 Some terms -- this is on page 24, which we'll just go
25 quickly. Some of the terms are clearly not enforceable, and

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1 your Honor, I think, picked out a good example. It's your city
2 now. You know, it's your city now. How is that an enforceable
3 contract term? It simply is not. The other thing that we
4 heard about this morning was the welcome packet, exhibit 6.
5 That also is not anything that the plaintiff mentioned during
6 their deposition. That was not a document that was produced by
7 the plaintiff, and frankly, it's unlikely the plaintiff ever
8 saw it. That welcome packet goes out to admitted students at
9 admission time. This particular named plaintiff was not
10 admitted regular -- admitted during the regular process. They
11 were waitlisted, and they would not have received this
12 material. There's no evidence that they did.

13 So moving then to adequacy, if you could direct your
14 Honor to page 26, there are three fundamental adequacy failures
15 here. Number one, the plaintiff is not credible. Number two,
16 the plaintiff is not knowledgeable about their case, and
17 contemporaneous evidence contradicts their claims.

18 As your Honor knows that in assessing adequacy, one of
19 the things that you will look at is the honesty and
20 trustworthiness of the named plaintiff. That's the *Savino*
21 case, among others. Page 26. I'm not going to belabor the
22 point given the time. We already talked about it, the ballet
23 bar.

24 If you turn to page 30, there's a disconnect between
25 what the plaintiff said about paying tuition and what actually

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1 happened. The plaintiff in the second amended complaint said
2 that they paid tuition. They admitted at their deposition, in
3 fact, that was not true. Undeterred in a declaration with this
4 Court subsequent to that, they nevertheless said, I paid, and
5 that is just not correct. As your Honor pointed out, there are
6 issues with the fact that the named plaintiff did not pay.
7 They are not part of the class as they have defined it.

8 We heard today that, well, it was a gift, and the
9 money was transferred to Hall-Landers and then Hall-Landers
10 then transferred it to NYU. That is not correct. Factually,
11 it is wrong. We have put in our papers the proof from NYU that
12 shows that it was the father that paid, and that does have
13 ramifications, including for whether this plaintiff would
14 receive a windfall if they got money back to them that they had
15 not personally paid.

16 Quickly looking at page 32. The plaintiff here sued
17 without knowing that they had actually been refunded money that
18 they were suing NYU to get. And they should have known, and
19 they should have bothered to check. So here on page 32, the
20 second amended complaint at paragraph 8 said NYU continued to
21 charge full tuition and fees as if nothing had changed. That
22 is not true. All of the fees, the four fees, housing, meal
23 plan, insurance and equipment, and production fee had all been
24 refunded in 2020, and a lot had changed because in that spring
25 semester of 2020, NYU actually paid \$61 million to students in

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1 refunds. So all of that is there.

2 On slide 33, I'll just direct your attention to
3 exhibit 62 because that's a document that the plaintiff
4 produced. And that document shows that the plaintiff was told
5 on March 30 of 2020 that their refunds had been processed, and
6 they were in the bank. And the plaintiff saw that because they
7 flipped it to their parents on April 1, 2020, but nevertheless,
8 they testified years later that they had not gotten the
9 tuition -- or they had not gotten the refunds. Apologies.

10 Lastly on adequacy, I'll direct your attention to
11 page 36, and here, you know, one of the adequacy considerations
12 is: Is this named plaintiff particularly vulnerable to
13 cross-examination? And here they are for a bunch of the
14 reasons we've already talked about and for the reasons visibly
15 demonstrated on this page. The fundamental tenet of the claim
16 is: I didn't get the education I paid -- they didn't pay. I
17 didn't get the education my father paid for you. But if you
18 look at the quotes and the contemporaneous evidence of what
19 they were saying at the time, they're saying, I truly loved
20 your class. They are saying, You're an amazing professor.
21 You're an awesome professor. Thank you. And, You're an
22 amazing professor "in-person and online."

23 So just briefly talking on damages for a second,
24 because I know we're short on time, I would just like to go to
25 page 39.

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1 THE COURT: I guess, one thing if you could focus
2 on --

3 MS. GORDON: Of course.

4 THE COURT: -- in particular, as Mr. Obergfell pointed
5 out, that the *USC* case, Judge Gee, before her was the same
6 damages model that the plaintiff was advocating for here. So
7 why is this case different than that?

8 MS. GORDON: So this case, it's very clear, your
9 Honor, that before, during, and after COVID, there was no
10 market price differential between the cost of an NYU in-person
11 education and the cost of NYU online education. We have
12 provided to you your Clay Shirky's declaration. Mr. Shirky is
13 a vice provost at NYU, and he says since he got to NYU in 2001,
14 there has been no price differential. Indeed, NYU does not
15 consider the modality of the instruction when setting tuition
16 rates. So I don't think it could be disputed that the
17 real-world evidence, what we should look at, there is no market
18 value differential.

19 There are a number of cases that we have cited in our
20 brief that in circumstances like this where there is no real
21 world market differential, it is improper to hire some expert
22 who does conjoint analyses for a living to try and cook one up.
23 The fact is there is no price differential, and as your Honor
24 mentioned, I also don't understand what they think the
25 alternative was. Every single school went remote because it

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1 was illegal and unsafe to do anything otherwise. And the
2 damages model they're proposing just completely ignores all of
3 that. So we don't think it should be -- we think it should be
4 rejected.

5 And I could mention unjust enrichment or I could sit.
6 Thank you, your Honor.

7 THE COURT: What I'd like to do is just take a short
8 two-minute recess, and, Mr. Obergfell, I'll let you do your
9 rebuttal.

10 MR. OBERGFELL: That's fine.

11 THE COURT: Okay. Thank you very much. We'll be
12 right back.

13 (Recess)

14 THE COURT: You can be seated. Thank you.
15 Mr. Obergfell?

16 MR. OBERGFELL: Good. Thank you, your Honor.

17 A couple things to be said, and I'll start with the
18 first overtly false statement that was made by NYU. NYU just
19 represented in its papers and before this Court that plaintiff
20 made no reference of partial refunds in their second amended
21 complaint. That is a false statement, and NYU, I guess, didn't
22 read paragraph 93 of the second amended complaint, which states
23 that NYU did not issue a refund of tuition but did issue a
24 partial refund as to certain mandatory fees. So this notion
25 that plaintiff misrepresented something in their complaint is

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1 utterly false.

2 The second thing is NYU claims that plaintiff doesn't
3 have a command of her own case. Yet Ms. Gordon asked
4 plaintiff, and this is at plaintiff's deposition, page 28, line
5 13 and 22.

6 "Q. Is the contract that you just described memorialized in
7 writing?

8 "A. In the course descriptions in Albert, courses were
9 described as being set in-person instruction giving specifics
10 as to the location on campus. In addition, we paid a specific
11 itemized amount of tuition, and that was paid for in-person
12 courses."

13 So what plaintiff conceives of the bargain is totally
14 consistent with the evidence that I presented to this Court in
15 my affirmative argument, and that is that they had this
16 representation of an in-person instruction that was not
17 provided. Full stop.

18 THE COURT: I want to just go back to when the
19 contract was formed because I'm guided, again, by what the
20 Second Circuit has instructed me to do in terms of that issue.
21 And I know that the plaintiff testified in their deposition,
22 "When I hit enroll on the enrollment website for the courses
23 and paid tuition..." that's when they said that the contract
24 was formed.

25 Again, I'm coming back to enrollment versus are there

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1 multiple contracts? Are there contracts formed every semester?
2 Is there an individual contract for every course that a student
3 signs up for? What is the point in time that I'm supposed to
4 be looking at?

5 MR. OBERGFELL: Well, I think the answer is that once
6 plaintiff enrolled in NYU as a student, New York law would say,
7 at that time, the relationship between the university and the
8 plaintiff has become contractual.

9 THE COURT: Sure.

10 MR. OBERGFELL: Right. But that doesn't answer the
11 question of what are the terms of contract.

12 THE COURT: Exactly.

13 MR. OBERGFELL: And obviously the student and the
14 university have a relationship that spans multiple years. And
15 like any other contract, if I enter into a contract with
16 someone today, other terms could be added. It's the same
17 contract, but new terms could be added or not added.

18 THE COURT: Okay. Then how do I determine a breach?
19 If the terms of the contract change over time, how do I
20 determine when NYU breached the contract?

21 MR. OBERGFELL: Even if you look just at the time of
22 the enrollment, as I indicated before and NYU equivocated on
23 this, [REDACTED]

24 [REDACTED]

25 [REDACTED] NYU is seeking to make an argument, oh, well,

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1 maybe they didn't see it. Maybe some people didn't see that.
2 But last time I checked, contracts are objective. We don't
3 look to, oh, did somebody review a particular term or a
4 particular portion of the contract.

5 Contracts are objective based on their terms. So if
6 these documents existed at the time of enrollment, then New
7 York law would say they are part of the contract. Think of the
8 reverse, your Honor. Imagine NYU is bringing a claim against
9 one of its students. Would it be a defense for the student to
10 say, oh, I didn't see that particular part of the bulletin so
11 you can't enforce it against me. That's simply not how
12 contracts work. It's not just me saying it, your Honor. If
13 you look at the *Ninivaggi* decision, Judge Bibas is very clear
14 on this.

15 Contracts are objective. It doesn't matter if someone
16 saw something or didn't see something. But then, there wasn't
17 a good answer in terms of just course of dealing, and your
18 Honor referenced the *USC* decision. The *USC* court rejected the
19 very same argument made by NYU here that it doesn't matter
20 whether people saw different things as long as there was a
21 common promise, which we think we show that there is. Then the
22 court went on to say, and regardless, the course of dealing is
23 such on that alone, I can make a determination as to the
24 implied contractual term for in-person instruction. I think
25 the Second Circuit was getting at the very same thing. These

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1 things were sufficient on their own for an implied contractual
2 term.

3 THE COURT: Ms. Gordon didn't focus too much on it
4 today, but I read in NYU's materials that students could seek a
5 tuition refund. Is that correct that students could make an
6 individualized claim why they were entitled to a refund of
7 tuition?

8 MR. OBERGFELL: So let me be clear on this. So the
9 timeline is as follows: NYU has a specific refund deadline as
10 part of its academic calendar. That deadline had passed by the
11 time that NYU had closed, okay, and from there, students were
12 not allowed a refund as a matter of course. I think there's
13 always a means to make a particular petition or something under
14 specialized circumstances, but there was certainly no refund
15 issued as a matter of course.

16 THE COURT: Notwithstanding the deadline, did the
17 plaintiff here make any application for a tuition refund
18 explaining why they felt that their education was deficient?

19 MR. OBERGFELL: Other than filing this lawsuit, I'm
20 not aware of a specific request.

21 THE COURT: Okay. Thank you.

22 MR. OBERGFELL: The other thing I would like to say,
23 your Honor, is on the question of damages. Because it's
24 puzzling to me how in NYU's view damages can be both subjective
25 and objective at the same time. If you read the declaration of

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1 Ms. Kirk Fair and Mr. Tomlin, who are NYU's experts, their
2 position that the value of tuition is objective, and Ms. Gordon
3 said it during her presentation. She said every student got
4 what they bargained for. It was the same price, right. So
5 they are taking an objective standard as to damage, but on the
6 other hand, when it suits them, they say, oh, no, we have to
7 look at how each individual subjectively valued the education
8 to determine damages.

9 Well, it's one or the other. It's either objective or
10 it's not. So we're saying it's objective because it was
11 objectively less valuable as a matter of economics. NYU
12 appears to be saying through its experts that it's objectively
13 the same price because of the prices of the market, but it's a
14 battle of the experts and that's a matter of economics. That's
15 not a matter of predominance for class classification. And the
16 *EZ Seed* case is very clear on this and the Second Circuit's
17 interpretation of *Comcast*. Plaintiff only needs to propose a
18 damages model that is consistent with the theory of liability.
19 Plaintiff's theory of liability is that the education from
20 March 23 to May 11 was objectively worth less and that they
21 should be refunded that fair market value, and that is
22 consistent with both the implied contract claim and the unjust
23 enrichment claim. And that's full stop for predominance black
24 letter law of the Second Circuit.

25 THE COURT: Okay. One final point, and then I have a

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1 final question for Ms. Gordon as well.

2 MR. OBERGFELL: Yes. A lot of Ms. Gordon's
3 presentation was about *Garcia De Leon*, and I just want to
4 briefly touch on that before I sit down. And it is my position
5 that *Garcia De Leon* is completely distinguishable by this case,
6 and I'll tell you why. There was no tuition claim in *Garcia De*
7 *Leon*. It was only a fees claim. Why is that significant?
8 Okay, it's significant because the way NYU charges their
9 particular fees, it's on a school-by-school and
10 program-by-program basis. There's one universal fee, but most
11 of them diversified, and not only that but the determination as
12 to whether those fees should be refunded was not made by NYU
13 leadership, it was made by the individual schools at the
14 individual level, which for obvious reasons presents a much
15 more difficult class situation than an exchange of tuition for
16 in-person instruction.

17 Every single student paid tuition. None of them got
18 the in-person instruction they bargained for, and NYU's
19 leadership was the one who decided *carte blanche*—this was
20 undisputed in Ms. Gordon's presentation and in their
21 brief—that no student would get a tuition refund as a matter
22 of course. So we're going to put in front of the jury in this
23 case all common evidence if we're able to. The common evidence
24 is the implied terms. It's the common evidence of the breach
25 and then the common evidence of the damages, and that is all

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1 that is required for class certification.

2 Thank you, your Honor.

3 THE COURT: Okay. Thank you.

4 Similar question I asked Mr. Obergfell.

5 Notwithstanding the deadline Mr. Obergfell just mentioned about
6 seeking tuition refunds in a normal year, was there either a
7 path or did students generally apply for tuition refunds, and
8 did any students get tuition refunds?

9 MS. GORDON: Yes. So that was the subject of
10 testimony -- sorry. Yes, that was the subject of testimony at
11 the depositions, and it's also in our declaration. So there
12 was a process, and it's at the school level and determined by
13 the different schools. So a student, subsequent to the
14 deadline, could seek a refund from the school, and the school
15 would take all of the individual facts into account and
16 determine whether or not to issue refunds. My understanding,
17 based on the deposition testimony, is yes. There were some
18 refunds that were issued.

19 THE COURT: Okay. Thank you very much.

20 MS. GORDON: You're welcome.

21 THE COURT: All right. If we could ask you,
22 Ms. Gordon, since you provided these slides to the Court, they
23 should be part of the record. So if you would just submit a
24 letter on the docket by attaching the slides so they become
25 part of the case record --

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1 MS. GORDON: Yes.

2 THE COURT: -- and we will take the motion under
3 advisement and issue a report and recommendation in due course.
4 But I appreciate everybody coming in today for the helpful
5 presentations. I hope you have a nice Thanksgiving holiday,
6 and we'll be adjourned. Thank you.

7 MR. OBERGFELL: Thank you, your Honor.

8 MS. GORDON: Thank you. Happy Thanksgiving to you,
9 too, your Honor.

10 (Adjourned)

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